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Financing of the International Criminal Tribunal for the Prosecution of Persons Responsible for Genocide and Other Serious Violations of International Humanitarian Law Committed in the Territory of Rwanda and Rwandan Citizens Responsible for Genocide and Other Such Violations Committed in the Territory of Neighbouring States between 1 January and 31 December 1994

Final performance report on the budget of the International Criminal Tribunal for Rwanda for the biennium 2016-2017: liquidation

Report of the Secretary-General

Summary

By its resolution 70/241 of 23 December 2015, the General Assembly decided to appropriate to the Special Account for the International Criminal Tribunal for Rwanda a total amount of $2,086,100 gross ($1,978,800 net) for the biennium 2016-2017 for the liquidation activities of the Tribunal.

The purpose of the present performance report on the budget of the International Criminal Tribunal for Rwanda is to provide an estimate of the final level of resources required for the biennium 2016-2017 for the liquidation activities of the Tribunal. The estimate is based on actual expenditures recorded to date, including provisions and adjustments for separation and other staff costs, and amounts to $5,812,800 gross ($5,444,800 net).

The General Assembly is requested to approve the final appropriation for the International Criminal Tribunal for Rwanda for the biennium 2016-2017 in the amount of $2,086,100 gross ($1,978,800 net), as initially appropriated by the Assembly in resolution 70/241, and to approve the transfer and charge of $3,726,700 gross ($3,466,000 net) as part of the estimated final expenditure, and further expenditures, if any, in excess of the approved appropriation for that purpose, under the 2016-2017 budget for the International Residual Mechanism for Criminal Tribunals, to be reported in the context of the second performance report on the budget of the Mechanism.

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I. Introduction

1. By its resolution 70/241 of 23 December 2015, the General Assembly appropriated to the Special Account for the International Criminal Tribunal for Rwanda a total amount of $2,086,100 gross ($1,978,800 net) for the biennium 2016-2017 for the liquidation activities of the Tribunal.

2. The present report on the budget of the Tribunal provides an estimate of the final level of resources required for the biennium 2016-2017 for the liquidation activities of the Tribunal. The report is based on actual expenditures to date, including provisions for separation entitlements and other known costs, compared with the amounts and assumptions contained in the budget for the biennium 2016-2017 approved by the General Assembly at its seventieth session (resolution 70/241).

3. The activities of the Tribunal during 2016 were liquidation-based and included, but were not limited to, the preparation of financial statements, the provision of support to the audit of the Tribunal's operations for the biennium 2014-2015 by the Board of Auditors, the disposal of assets of the Tribunal, the repatriation of staff members and their families, the processing of staff separation and final entitlements, the settlement of liabilities and the recovery of receivables, the finalization of the Tribunal's cases pending at the Management Evaluation Unit or the United Nations Dispute Tribunal, the dismantling of the temporary structures, the repair and handover of the rented premises to the Arusha International Conference Centre and handover to the International Residual Mechanism for Criminal Tribunals.

4. The liquidation was expected to be completed by 31 May 2016; however, the liquidation process experienced some delays, specifically in the finalization and certification of the 2015 accounts, the disposal of assets, including the transfer of assets to other entities and government institutions, the reconciliation of accounts and the conversion of balances in Umoja, the handover and transfer of balances to the Mechanism, the handover of rented premises to the Arusha International Conference Centre and the finalization of other administrative matters. In that regard, an extension of two months was needed to allow for the completion of pending activities in order to ensure a smooth transition and final closure of the Tribunal.

5. The estimated final level of expenditures relating to liquidation activities for the Tribunal for the biennium 2016-2017 amounts to $5,812,800 gross ($5,444,800 net), reflecting an increase of $3,726,700 gross ($3,466,000 net) over the approved appropriation. The increase reflects the higher staff costs resulting from increased requirements for the settlement of education grant claims and separation entitlements for former staff members of the Tribunal that had to be settled against the 2016 appropriation, as well as increased salary costs linked to the extension of the liquidation period by an additional two months, from 1 June to 31 July 2016, and the related staff assessment; and an increase in non-staff expenditures relating mainly to the write-off of non-recoverable receivables. The anticipated final level of income from staff assessment for the biennium 2016-2017 amounts to $368,000, reflecting an increase of $260,700. Consequently, the combined effect of the anticipated final levels of expenditures and income for the

biennium 2016-2017 amounts to an increase of $3,726,700 gross ($3,466,000 net). It is proposed that the estimated final expenditure and further expenditures, if any, relating to the Tribunal be met through the transfer and charge of $3,726,700 gross ($3,466,000 net) as part of the estimated final expenditure, in excess of the approved appropriation for that purpose, under the 2016-2017 budget for the International Residual Mechanism, to be reported in the context of the second performance report of the Mechanism.

II. Justifications for the variances in expenditure requirements

6. The estimated final level of expenditures for the liquidation activities of the Tribunal amounts to $5,812,800 gross ($5,444,800 net), as shown in the table. An explanation of the variances against the initial appropriation by expenditure group is provided in the paragraphs below.

Projected variances, by object of expenditure

(Thousands of United States dollars)

Object of expenditure	*2016 appropriation*	*Variances*	*Projected final expenditure*
Expenditure			
Other staff costs	1 479.9	3 304.4	4 784.3
Travel of staff	28.4	13.8	42.2
Contractual services	95.9	(3.7)	92.2
General operating expenses	353.0	172.9	525.9
Supplies and materials	18.8	(18.6)	0.2
Furniture and equipment	2.8	(2.8)	–
Staff assessment	107.3	260.7	368.0
Total expenditure (gross)	**2 086.1**	**3 726.7**	**5 812.8**
Income			
Staff assessment	107.3	260.7	368.0
Total requirements (net)	**1 978.8**	**3 466.0**	**5 444.8**

Other staff costs (increase: $3,304,400)

7. The increase under other staff costs is attributable to additional costs associated with the separation entitlements, the settlement of education grant claims for the 2015/16 scholastic year in 2016 and the need for extension of the liquidation period by two months from the end of May to the end of July 2016. The increase includes:

(a) An amount of $1,753,000 in additional costs relating to separation entitlements for staff members who separated during the biennium 2014-2015, as well as for some continuing staff members who separated in 2016. At the end of 2015, the Tribunal made a provision of $3.2 million against the budget for the

biennium 2014-2015 for the settlement of staff separation entitlements. However, the amount of claims processed and settled in 2016 proved to be significantly higher than the provision made, resulting in an overexpenditure of $1,753,000 that had to be charged against the 2016 budget, since it was no longer possible to charge such costs against the 2014-2015 budget;

(b) An amount of $1,177,500 in additional requirements relating to the settlement in 2016 of education grant advances paid out to staff members in 2015 in respect of the 2015/16 scholastic year. It is normal practice to settle education grants for a scholastic year at the end of the same scholastic year; hence, the settlement of the 2015/16 claims against the 2016 budget resulted in increased expenditure on education grants;

(c) An amount of $373,900 in additional requirements relating to the extension of the liquidation period from the five months initially budgeted (January 2016 to 31 May 2016) to seven months (January 2016 to 31 July 2016) in order to conclude the remaining liquidation activities of the Tribunal, including support for the finalization and certification of the 2015 accounts, the preparation of the 2016 financial statements for the Tribunal, the disposal of assets, including the transfer of assets to other entities and to government institutions, reconciliations and the conversion of balances in Umoja, the processing of separation entitlements for former staff members, the handover and transfer of balances and pending contracts with suppliers to the International Residual Mechanism, the handover of rented premises to the Arusha International Conference Centre and the finalization of other administrative matters. This extension resulted in an increase in the number of work-months from 175 (initially budgeted) to 219, resulting in increased staff costs.

Travel (increase: $13,800)

8. The increase is mainly attributable to: (a) the increased costs of air tickets for the three missions by Tribunal staff to New York in connection with budget and finance, human resources and other liquidation issues (actual average cost of $9,500 per trip compared with $6,500 budgeted), resulting in an increase of $9,000; (b) an additional daily subsistence allowance payment of $2,300 resulting from the extension of the duration of one of the missions to New York for one additional week in order to finalize the 2015 accounts; and (c) the settlement of a travel advance for a staff member amounting to $2,500 relating to official travel that had taken place during the biennium 2014-2015, which had to be charged to the 2016 budget following the closure of the 2014-2015 accounts.

Contractual services (decrease: $3,700)

9. The decrease is attributable mainly to the lower actual fee for external audit than budgeted, which is offset in part by the increased cost of information technology services owing to additional Internet charges linked to the extension of the liquidation period of the Tribunal from 31 May to 31 July 2016.

General operating expenses (increase: $172,900)

10. The increase under general operating expenses is mainly attributable to: (a) the write-off of long-outstanding receivables amounting to $278,200, for which extensive efforts have been made by the Tribunal to recover the amounts involved

from the former staff members and/or debtors to no avail and the likelihood or probability of recovery in the future has been assessed to be very low; and (b) additional costs of $31,600 relating to the rental of premises owing to the extension of the liquidation period. The increase is offset in part by: (a) reduced requirements ($70,000) for maintenance services owing to lower vehicle and facility repairs linked to the winding down of the operation; (b) a decrease in electricity, water and fuel costs ($39,500) resulting from the occupancy of less office space than originally foreseen; and (c) reduced communications costs ($29,000) owing to lower and more efficient use of communications equipment and services.

Supplies and materials (decrease: $18,600)

11. The decrease is due mainly to lower acquisition of petrol, stationery and other supplies resulting from the utilization of the available stock of supplies and materials procured in 2015.

Furniture and equipment (decrease: $2,800)

12. The decrease mainly reflects the non-use of the provision for miscellaneous office equipment.

III. Action to be taken by the General Assembly

13. **The General Assembly is requested:**

(a) **To approve the final appropriation for the International Criminal Tribunal for Rwanda for the biennium 2016-2017 in the amount of $2,086,100 gross ($1,978,800 net) as initially appropriated by the Assembly in resolution 70/241;**

(b) **To approve the transfer and charge of $3,726,700 gross ($3,466,000 net) as part of the estimated final expenditure, and further expenditures, if any, in excess of the approved appropriation for that purpose, under the 2016-2017 budget for the International Residual Mechanism for Criminal Tribunals, to be reported in the context of the second performance report on the budget of the Mechanism.**